

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:5475
ANSWERED ON:29.08.2001
TRAINING TO YOUTH FOR SSI
VIRENDRA KUMAR;Y.G. MAHAJAN

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES be pleased to state:

- (a) whether there is any scheme to impart training to unemployed youth for setting up small scale industries in the country, particularly in Madhya Pradesh;
- (b) if so, the salient features of this scheme, State-wise and Location-wise; and
- (c) the number of unemployed youth benefited by this scheme so far?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND RURAL INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PERSONNEL AND PENSIONERS WELFARE OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE)

(a) & (b): Yes, Sir. Under the Prime Minister's Rozgar Yojana (PMRY), unemployed youth throughout the country including in Madhya Pradesh are imparted training to set up self employed units. The salient features of the PMRY Scheme are at Annexure-I.

(c): Based on the reports received from the Reserve Bank of India, 17.97 lakh unemployed youth have been sanctioned loans by the banks between 1993-94 to 2000-01 under the PMRY.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART a) OF THE LOK SABHA UNSTARRED QUESTION NO. 5475 T ANSWERED ON 29.08.2001.

Details of the PMRY Scheme:

Sl.No. Parameter

1. Age i) 18 to 35 years for all educated unemployed.
ii) 18 to 40 for all educated unemployed in North-East States.
iii) 18 to 45 years for Scheduled Castes/Scheduled Tribes, Ex-servicemen, Physically Disabled and Women.
2. Educational Qualification: VIII pass. Preference will be given to those who have been trained for any trade in Government recognised/approved institutions for duration of at least six months.
3. Family Income: Neither the income of the beneficiary along with the spouse nor the income of parents of the beneficiaries shall exceed Rs.40,000/- per annum.
4. Residence Permanent resident of the area for atleast 3 years. (Relaxed for married women.
In case of married women the residency criteria applied to her husband or in-laws)
5. Defaulter: Should not be a defaulter to any nationalised bank/financial institution/cooperative bank. Further, a person already assisted under other subsidy, linked Government schemes would not be eligible under this scheme.
6. Activities Covered: All economically viable activities including agriculture and allied activities but excluding direct agricultural operations like raising Crop, purchase of manure etc.
7. Project Cost: Rs.1.00 lakh for business sector. Rs.2.00 lakh for other activities, loan to be of composite nature. If two or more

eligible persons join together in a partnership, project upto Rs.10.00 lakh are covered. Assistance shall be limited to individual admissibility.

8. Subsidy & Margin Money: i) Subsidy will be limited to 15% of the project cost subject to ceiling of Rs.7,500/- per entrepreneur. Banks will be allowed to take margin money from the entrepreneur varying from 5% to 16.25% of the project cost so as to make the total of the subsidy and the margin money equal to 20% of the project cost.

For North Eastern States:

ii) Subsidy @ of 15% of the project cost subject to a ceiling of Rs.15,000/- for north-eastern States. Margin money contribution from the entrepreneur may vary from 5% to 12.5% of the project cost so as to make the total of the subsidy and the margin money equal to 20% of the project cost.

9. Collateral: No collateral for units in industry sector with project cost upto Rs.2.00 lakh (the loan ceiling under the PMRY). For partnership projects under Industry Sector, the exemption limit for obtention of collateral security will be Rs.5.00 lakh per borrowal account. For units in service and business sector no collateral for project upto Rs.1.00 lakh. Exemption from collateral in case of partnership project will also be limited to an amount of Rs.1.00 lakh per person participating in the project.

10. Rate of interest & repayment Normal rate of interest shall be charged. Repayment schedule may range between 3 to 7 years after an initial moratorium as may be prescribed.

11. Reservation: Preference should be given to weaker sections including women. The scheme envisages 22.5% reservation for SC/ST and 27% for Other Backward Class (OBCs). In case SC/ST/OBC candidates are not available, States/UTs Govt. will be competent to consider other categories of candidates under PMRY.

12. Training Each entrepreneur whose loan is sanctioned is provided training as per details given below:

i) For industry sector: Duration: 15-20 working days.
Stipend: Rs.300/-.
Training expenditure: Rs.700/- Per beneficiary

ii) For service & business sector:
Duration: 7-10 working days.
Stipend: Rs.150/- Per
Training expenditure: Rs.350/- beneficiary

13. Implementing Agency: The District Industry Centres and the Directorate of Industries are mainly responsible for Implementation of the Scheme along with the banks.